



**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AUDIT EXAMINATION OF THE
CRITTENDEN COUNTY FISCAL COURT**

Fiscal Year Ended June 30, 1998

**EDWARD B. HATCHETT, JR.
AUDITOR OF PUBLIC ACCOUNTS
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Edward B. Hatchett, Jr.
Auditor of Public Accounts

To the People of Kentucky

Honorable Paul E. Patton, Governor

John P. McCarty, Secretary

Finance and Administration Cabinet

Sarah Jane Schaaf, Secretary, Revenue Cabinet

Honorable Victor P. Hardin, County Judge/Executive

Honorable John C. May, Former County Judge/Executive

Members of the Crittenden County Fiscal Court

Independent Auditor's Report

We have audited the accompanying statement of assets, liabilities, and fund balances arising from cash transactions of Crittenden County, Kentucky, as of June 30, 1998, and the related statement of cash receipts, cash disbursements, and changes in cash balances for the year then ended. These financial statements are the responsibility of the Crittenden County Fiscal Court. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the Audit Guide for Fiscal Court Audits issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Crittenden County, Kentucky, prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and laws of Kentucky. Consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balances arising from cash transactions of Crittenden County, Kentucky, and the related statement of cash receipts, cash disbursements, and changes in cash balances as of and for the year ended June 30, 1998, in conformity with the cash basis of accounting described above.

To the People of Kentucky
Honorable Paul E. Patton, Governor
John P. McCarty, Secretary
Finance and Administration Cabinet
Sarah Jane Schaaf, Secretary, Revenue Cabinet
Honorable Victor P. Hardin, County Judge/Executive
Honorable John C. May, Former County Judge/Executive
Members of the Crittenden County Fiscal Court

Our audit was performed for the purpose of forming an opinion on the financial statements of Crittenden County, Kentucky, taken as a whole. The information provided on the accompanying schedules is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued our report dated April 2, 1999, on our consideration of Crittenden County, Kentucky's compliance with certain provisions of laws, regulations, contracts, and grants, and internal control over financial reporting.

We would like to commend the Crittenden County Fiscal Court for their installation of a new computer system. This new system will save the county time and money.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a long horizontal flourish extending to the right.

Edward B. Hatchett, Jr.
Auditor of Public Accounts

Audit fieldwork completed -
April 2, 1999

CRITTENDEN COUNTY OFFICIALS

Fiscal Year Ended June 30, 1998

John C. May	County Judge/Executive
Alan C. Stout	County Attorney
Danny Byford	County Clerk
Madeline Henderson	Circuit Court Clerk
Darron Holliman*	Sheriff
H. M. Asbridge	Jailer
Maurice Corley	Property Valuation Administrator
Roberta Shewmaker	County Treasurer
Clinton York	Coroner
Haydon McConnell	Magistrate
Curt Buntin	Magistrate
William E. Martin, Jr.	Magistrate
Percy Cook	Magistrate
Donald Tabor	Magistrate
Bobbie Don Crowell	Magistrate

*Floyd Andrews resigned as of July 31, 1997

STATEMENT OF ASSETS, LIABILITIES,
AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

CRITTENDEN COUNTY
STATEMENT OF ASSETS, LIABILITIES,
AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

June 30, 1998

Assets and Other Resources

Assets

General Fund:

Cash	\$ 141,810
------	------------

Road and Bridge Fund:

Cash	118,868
------	---------

Jail Fund:

Cash	8,481
------	-------

Local Government Economic Assistance Fund:

Cash	165,831
------	---------

Nonvoted Hospital Bond Fund:

State Local Finance Officer	986
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Other Resources

General Fund:

Funds to be Provided in Future Years for Detention

Facility Capital Lease Principal	84,800
----------------------------------	--------

Total Assets and Other Resources

	\$ 520,776
--	------------

Liabilities and Fund Balances

General Fund:

Capital Lease Principal for Detention Facility	\$ 84,800
--	-----------

Nonvoted Hospital Bond Fund:

Bonds Matured and Unpresented	550
-------------------------------	-----

Interest Matured and Unpresented	436
----------------------------------	-----

Fund Balances

Unreserved:

General Fund	141,810
--------------	---------

Road and Bridge Fund	118,868
----------------------	---------

Jail Fund	8,481
-----------	-------

Local Government Economic Assistance Fund	165,831
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Total Liabilities and Fund Balances

	\$ 520,776
--	------------

The accompanying notes are an integral part of the financial statements.

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STATEMENT OF CASH RECEIPTS,
CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

CRITTENDEN COUNTY
STATEMENT OF CASH RECEIPTS,
CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

Fiscal Year Ended June 30, 1998

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Cash Receipts</u>				
Schedule of Operating Revenue	\$ 1,960,532	\$ 452,932	\$ 1,366,672	\$ 88,307
Transfers In	456,186	155,000	66,000	142,593
Lease-Purchase Proceeds	88,800			88,800
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	\$ 2,505,518	\$ 607,932	\$ 1,432,672	\$ 319,700
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Cash Disbursements</u>				
Comparative Schedule of Final Budget and Budgeted Expenditures	\$ 2,025,413	\$ 497,772	\$ 1,220,880	\$ 229,067
Transfers Out	456,186	50,000	221,000	92,593
	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	\$ 2,481,599	\$ 547,772	\$ 1,441,880	\$ 321,660
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Cash Receipts Over (Under) Cash Disbursements	\$ 23,919	\$ 60,160	\$ (9,208)	\$ (1,960)
Cash Balance - July 1, 1997	412,057	81,650	128,076	10,441
	<hr/>	<hr/>	<hr/>	<hr/>
Cash Balance - June 30, 1998	\$ 435,976	\$ 141,810	\$ 118,868	\$ 8,481
	<hr/>	<hr/>	<hr/>	<hr/>

The accompanying notes are an integral part of the financial statements.

CRITTENDEN COUNTY
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
 CHANGES IN CASH BALANCES
 Fiscal Year Ended June 30, 1998
 (Continued)

Local Government Economic Assistance Fund	Nonvoted Hospital Bond Fund
\$ 52,621 92,593	\$
\$ 145,214	\$ 0
\$ 77,694 92,593	\$
\$ 170,287	\$ 0
\$ (25,073) 190,904	\$ 0 986
\$ 165,831	\$ 986

CRITTENDEN COUNTY
NOTES TO FINANCIAL STATEMENTS

June 30, 1998

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements of Crittenden County include the funds, agencies, boards, and entities for which the fiscal court is financially accountable. Financial accountability, as defined by Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, as amended by GASB 14, was determined on the basis of the government's ability to significantly influence operations, select the governing authority, participate in fiscal management and the scope of public service. Based upon the criteria stated in GASB 14, management has included the Ohio River Ferry Authority as part of the reporting entity.

B. Fund Accounting

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The government uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts.

C. Basis of Accounting

The financial statements were prepared on a cash basis of accounting pursuant to Kentucky Revised Statute (KRS) 68.210 as recommended by the State Local Finance Officer. Consequently, certain revenues and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts.

D. Legal Compliance - Budget

The Crittenden County budget is adopted on a cash basis of accounting and laws of Kentucky as required by the State Local Finance Officer. The County Judge/Executive is required to submit estimated receipts and proposed expenditures to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the State Local Finance Officer. Expenditures may not exceed budgeted appropriations at the activity level.

E. Cash and Investments

Cash includes amounts in bank accounts, and investments are stated at cost. Investments may include certificates of deposit on the financial statements; however, for the purpose of disclosing credit risk (Note 3), investments exclude certificates of deposit.

CRITTENDEN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 1998
(Continued)

Note 1. (Continued)

E. Cash and Investments (Continued)

KRS 66.480 authorizes the county to invest in the following, including but not limited to, obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

Note 2. Employee Retirement System

The county has elected to participate in the County Employees Retirement System (CERS), pursuant to KRS 78.530 administered by the Board of Trustees of the Kentucky Retirement Systems. This is a multiple-employer public retirement system which covers all eligible full-time employees. Benefit contributions and provisions are established by statute. Nonhazardous covered employees are required to contribute 5 percent of their salary to the plan. The county's contribution rate for nonhazardous employees was 8.65 percent.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65.

Historical trend information showing the CERS' progress in accumulating sufficient assets to pay benefits when due is present in the Kentucky Retirement Systems' annual financial report.

Note 3. Deposits

The county maintains deposits with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). According to law, the depository institution should pledge sufficient securities as collateral which, together with FDIC insurance, equals or exceeds the amount on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge of securities should be evidenced by an agreement that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. This agreement, signed by both parties, must be sufficient to create an enforceable and perfected security interest in the collateral under Kentucky law. The county met the requirements stated above, and as of June 30, 1998, deposits were fully insured or collateralized at a 100% level with securities held by the county's agent in the county's name.

CRITTENDEN COUNTY
 NOTES TO FINANCIAL STATEMENTS
 June 30, 1998
 (Continued)

Note 4. Detention Facility Capital Lease

This capital lease with KACO Small Issuer's Loan Program is for renovations performed on the Crittenden County Detention Facility. The capital lease was for \$88,000 and bears interest of 6.24%. Interest and principal payments are made twice each year during November and May. The balance owed June 30, 1998, is \$84,000.

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Scheduled</u> <u>Interest</u>	<u>Scheduled</u> <u>Principal</u>
1999	\$ 5,189	\$ 6,700
2000	4,761	7,300
2001	4,299	7,700
2002	3,813	8,100
2003	3,298	8,700
2004	2,749	9,200
2005	2,166	9,800
2006	1,545	10,400
2007	883	11,100
2008	181	5800
Totals	<u>\$ 28,884</u>	<u>\$ 84,800</u>

Note 5. Lease-Purchase Agreements

The county has entered into the following lease-purchase agreements:

<u>Description</u>	<u>Purchase</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>Amount</u>
Voting Machines	10/14/93	10/14/03	5.04%	\$ 32,000

Note 6 Commitments and Contingencies

The Ohio River Ferry Authority, Inc. through the Crittenden county Fiscal Court has obtained a grant from the Kentucky Transportation Cabinet to provide for operation of the ferry service across the Ohio River between Crittenden County, Kentucky and Hardin County, Illinois. On November 8, 1994, the Ohio River Ferry Authority, Inc. entered into an agreement with the Cave-In-Rock Ferry Company, Inc. to operate the ferry service.

On January 2, 1997, Crittenden County entered into a Lease Agreement with Kentucky Area Development Districts Financing Trust to finance the acquisition of a nursing home for the benefit of the Crittenden County Hospital, Inc. The county then entered into an agreement to sublease and rent the project to the Crittenden County Hospital, Inc. for a rental period of 10 years, with the option to renew this sublease in the manner and for the rental amount set forth in the lease. The total amount due is \$3,100,000. Payments by the Crittenden County Hospital began May 20, 1998.

CRITTENDEN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 1998
(Continued)

Note 7 Industrial Revenue Bonds

The Crittenden County Fiscal Court has entered into an agreement with the City of Marion to create the Marion-Crittenden Industrial Development Authority. This agreement was created for the purpose of serving as an agency to aid in the acquisition, retention and development of industrial opportunities in Crittenden County.

On June 16, 1998, the Crittenden County Industrial Development Authority entered into a new bond issue for the purpose of constructing an addition to the existing facility owned by Par-4 Plastics, Inc. located in Marion, Kentucky. These bonds will have a 20-year life with an approximate interest rate of 6.5 %. The original agreement required Ross Sinclair and Associates, the underwriter, to appropriate \$2,400,000 for the purpose of purchasing from the Marion-Crittenden Industrial Development Authority, the Industrial Revenue Bonds, series 1998 for the total purchase price of \$2,352,000 on or before July 1, 2008. The semi annual payments are to be made on the 1st of July and January.

Note 8 Insurance

For the fiscal year ended June 30, 1998, Crittenden County was a member of the Kentucky Association of Counties' All Lines Insurance Fund (KALF) . KALF is a self-insurance fund and was organized to obtain lower cost coverage for general liability, property damage, public officials' errors and omissions, public liability, and other damages. The basic nature of a self-insurance program is that of a collectively shared risk by its members. If losses incurred for covered claims exceed the resources contributed by the members, the members are responsible for payment of the excess losses.

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COMPARATIVE SCHEDULE OF
BUDGETED TO ACTUAL OPERATING REVENUE

CRITTENDEN COUNTY
COMPARATIVE SCHEDULE OF
BUDGETED TO ACTUAL OPERATING REVENUE

Fiscal Year Ended June 30, 1998

<u>Budgeted Funds</u>	Budgeted Operating Revenue	Actual Operating Revenue	Over (Under) Budget
General Fund	\$ 398,298	\$ 452,932	\$ 54,634
Road and Bridge Fund	1,247,913	1,366,672	118,759
Jail Fund	143,134	88,307	(54,827)
Local Government Economic Assistance Fund	59,860	52,621	(7,239)
Total	<u>\$ 1,849,205</u>	<u>\$ 1,960,532</u>	<u>\$ 111,327</u>
<u>Reconciliation</u>			
Total Budgeted Operating Revenue Above			\$ 1,849,205
Add: Budgeted Prior Year Surplus			<u>466,436</u>
Total Budget Per Comparative Schedule Of Final Budget and Budgeted Expenditures			<u>\$ 2,315,641</u>

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SCHEDULE OF OPERATING REVENUE

CRITTENDEN COUNTY
SCHEDULE OF OPERATING REVENUE

Fiscal Year Ended June 30, 1998

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Revenue From Local Taxes</u> <u>and Excess Fees</u>				
Sheriff:				
Taxes	\$ 265,083	\$ 265,083	\$	\$
Excess Fees - 1997	617	617		
County Clerk:				
Deed Transfer Tax	14,953	14,953		
Occupational Licenses	76	76		
Delinquent Taxes	1,277	1,277		
Excess Fees - 1997	15,047	15,047		
Tangible Personal Property Taxes:				
Other Counties	2,610	2,610		
County Clerk	45,154	45,154		
Totals	<u>\$ 344,817</u>	<u>\$ 344,817</u>	<u>\$ 0</u>	<u>\$ 0</u>

Kentucky State Treasurer

Jail:				
Allotments	\$ 28,512	\$	\$	\$ 28,512
Medical Allotments	2,403			2,403
Driving Under The Influence Fees	1,129			1,129
Court Costs, Jail Operation	2,309			2,309
County Road Aid	640,538		640,538	
Truck License Distribution	151,651		151,651	
Recouped Public Defender Fees	30,357	27,707		2,650
Rental Income	45,744	45,744		
Courthouse Rental - Administrative				
Office of the Courts	28,392	28,392		
Refunds:				
Legal Process Tax	68	68		
Drivers Licenses	929		929	
Dog Licenses	1,194	1,194		
Severance Taxes:				
Mineral	42,558			

CRITTENDEN COUNTY
 SCHEDULE OF OPERATING REVENUE
 Fiscal Year Ended June 30, 1998
 (Continued)

Local
 Government
 Economic
 Assistance
Fund

\$

\$ 0

\$

42,558

CRITTENDEN COUNTY
 SCHEDULE OF OPERATING REVENUE
 Fiscal Year Ended June 30, 1998
 (Continued)

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Kentucky State Treasurer</u>				
(Continued)				
Grants:				
State Grants (Area Development Fund)	\$ 5,700	\$	\$	\$
Disaster and Emergency Services Reimbursement	519	519		
Totals	<u>\$ 982,003</u>	<u>\$ 103,624</u>	<u>\$ 793,118</u>	<u>\$ 37,003</u>
<u>Miscellaneous Revenue</u>				
Interest	\$ 15,345	\$ 2,814	\$ 7,534	\$ 634
Circuit Court Clerk:				
Home Incarceration	46,190			46,190
Work Release	3,450			3,450
Charges for Services:				
Jail Bond Fees	1,030			1,030
Ferry Authority	566,020		566,020	
Miscellaneous Items	1,677	1,677		
Totals	<u>\$ 633,712</u>	<u>\$ 4,491</u>	<u>\$ 573,554</u>	<u>\$ 51,304</u>
Total Operating Revenue	<u>\$ 1,960,532</u>	<u>\$ 452,932</u>	<u>\$ 1,366,672</u>	<u>\$ 88,307</u>

CRITTENDEN COUNTY
SCHEDULE OF OPERATING REVENUE
Fiscal Year Ended June 30, 1998
(Continued)

Local
Government
Economic
Assistance
Fund

\$ 5,700

\$ 48,258

\$ 4,363

\$ 4,363

\$ 52,621

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COMPARATIVE SCHEDULE OF
FINAL BUDGET AND BUDGETED EXPENDITURES

CRITTENDEN COUNTY
COMPARATIVE SCHEDULE OF
FINAL BUDGET AND BUDGETED EXPENDITURES

Fiscal Year Ended June 30, 1998

	<u>Final Budget</u>	<u>Budgeted Expenditures</u>	<u>Under (Over) Budget</u>
<u>GENERAL FUND</u>			
<u>General Government</u>			
Office of County Judge/Executive:			
Salaries-			
County Judge/Executive	\$ 48,661	\$ 48,661	\$
Finance Officer	14,374	14,348	26
Other Salaries	20		20
Office Materials and Supplies	2,000	1,219	781
Telephone	2,700	2,376	324
Office of County Attorney:			
County Attorney Salary	10,128	10,123	5
Rent	1,200	1,200	
Office of County Clerk:			
County Clerk Salary	2,400	2,400	
Fees	6,346	6,346	
Maintenance	3,053	2,400	653
Printing and Binding	20		20
Telephone	2,823	2,822	1
Office of Sheriff:			
Deputies Salaries	25,638	25,632	6
Postage	1,900	1,866	34
Telephone	2,834	2,833	1
Office of County Coroner:			
Salaries-			
County Coroner	4,637	4,268	369
Deputy Coroner	1,510	1,509	1
Training	438	88	350
Fiscal Court:			
Magistrates-			
Salaries	20,037	20,025	12
Expense Allowance	9,000	9,000	

CRITTENDEN COUNTY
 COMPARATIVE SCHEDULE OF FINAL BUDGET AND
 BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND (Continued)</u>			
<u>General Government (Continued)</u>			
Office of Property Valuation Administrator:			
Statutory Contribution	\$ 10,000	\$ 9,425	\$ 575
Office of Board of Assessment Appeals:			
Per Diem	800	800	
Office of County Treasurer:			
County Treasurer Salary	16,864	16,862	2
Publication	500	326	174
County Law Library:			
Law Librarian Salary	600	600	
Banks Baldwin Updates	800	796	4
Elections:			
Per Diem-			
Election Commissioners	1,120	1,120	
Election Officers	4,000	3,974	26
Election Printing and Advertising	450	328	122
Election Voting Machine Lease	7,556	7,428	128
Preparing Voting Machines	98		98
Election Rentals	90	90	
Miscellaneous Expense	800	575	225
Courthouse:			
Janitor Salary	13,554	13,554	
Utilities	13,000	12,556	444
Janitorial Services	400	228	172
Improvements or New Construction	2,429	2,428	1
Materials and Supplies	4,086	4,086	
<u>Protection to Persons and Property</u>			
Disaster and Emergency Services:			
Dispatch Service	20,958	20,801	157
Utilities	3,000	2,513	487

CRITTENDEN COUNTY
 COMPARATIVE SCHEDULE OF FINAL BUDGET AND
 BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND (Continued)</u>			
<u>Administration (Continued)</u>			
Magistrates Association	\$ 500	\$ 500	\$
Judge/Executive Association	660	660	
Purchase Area Development District	1,322	1,322	
KACO	800	800	
Miscellaneous Expense	6,300	6,252	48
Contingent Appropriations:			
Reserve for Transfers	201		201
Fringe Benefits:			
County Contributions-			
Social Security	27,052	26,453	599
Retirement	38,607	38,607	
Worker's Compensation	22,141	22,067	74
Unemployment Insurance	3,000	2,143	857
Total General Fund	<u>\$ 508,294</u>	<u>\$ 497,772</u>	<u>\$ 10,522</u>

ROAD AND BRIDGE FUND

General Government

Other County Property:			
County Garage	\$ 30,000	\$	\$ 30,000

Roads

Road Maintenance:			
Salaries-			
Road Foreman	25,072	25,072	
Road Labor	100,000	85,226	14,774
Part-Time Labor	23,200	22,107	1,093
Bridge Repair	15,000		15,000
Diesel Fuel	21,500	19,576	1,924
General Construction Materials	78,182	77,942	240
Lubricants	1,500		1,500

CRITTENDEN COUNTY
 COMPARATIVE SCHEDULE OF FINAL BUDGET AND
 BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>ROAD AND BRIDGE FUND (Continued)</u>			
<u>Roads (Continued)</u>			
Road Maintenance:(Continued)			
Repairs	\$ 38,732	\$ 38,732	\$
Materials	340,940	340,940	
Advertising and Publication	800	269	531
Other Materials and Supplies	15,363	15,363	
Mass Transit:			
Ferry Authority	566,020	566,020	
<u>Capital Projects</u>			
Equipment:			
Radio Equipment	10,000	9,939	61
<u>Administration</u>			
Contingent Appropriations:			
Reserve for Budget Transfers	6,056		6,056
Fringe Benefits:			
County Contributions-			
Retirement	12,885	10,331	2,554
Social Security	11,395	9,363	2,032
Total Operating Budget	<u>\$ 1,296,645</u>	<u>\$ 1,220,880</u>	<u>\$ 75,765</u>
<u>JAIL FUND</u>			
<u>Protection to Persons and Property</u>			
Office of Jailer:			
Personnel Services-			
Salaries-			
Jailer	\$ 23,268	\$ 23,268	\$
Jail Personnel	50,000	44,229	5,771
Association Dues	300	250	50

CRITTENDEN COUNTY
 COMPARATIVE SCHEDULE OF FINAL BUDGET AND
 BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>JAIL FUND (Continued)</u>			
<u>Protection to Persons and Property (Continued)</u>			
Office of Jailer: (Continued)			
Operations-			
Cleaning Supplies	\$ 1,187	\$ 1,187	\$
Food	14,400	14,236	164
Furniture and Fixtures	400	212	188
Jail Linens	300		300
Office Supplies	936	414	522
Prisoner Hygiene	350	322	28
Routine Medical	1,328	1,214	114
Staff Travel	600	287	313
Telephone	1,274	1,137	137
Transporting Prisoners to Other Counties	12,159	4,408	7,751
Utilities	7,986	7,985	1
Housing Prisoners - Other Counties	5,280	3,385	1,895
Home Incarceration	3,350	3,350	
Miscellaneous Operating Expense	709	481	228
Juvenile Services:			
Housing	6,660	6,660	
Transport	250	239	11
Medical	400		400
Maintenance-			
Building Repairs	1,183	261	922
Equipment Repairs	1,300	279	1,021
Pest Control	375	354	21
Capital Projects:			
Jail Building Upgrade	203,393	104,638	98,755

CRITTENDEN COUNTY
 COMPARATIVE SCHEDULE OF FINAL BUDGET AND
 BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>JAIL FUND (Continued)</u>			
<u>Administration</u>			
Fringe Benefits:			
County Contributions-			
Retirement	\$ 5,350	\$ 5,315	\$ 35
Social Security	5,300	4,956	344
Total Jail Fund	<u>\$ 348,038</u>	<u>\$ 229,067</u>	<u>\$ 118,971</u>
<u>LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND</u>			
<u>General Government</u>			
Economic Development	\$ 10,000	\$ 10,000	\$
<u>Protection to Persons and Property</u>			
Fire Departments:			
County Fire Department	2,500	2,500	
Caldwell Springs Fire Department	2,000	2,000	
Sheridan Fire Department	2,000	2,000	
Shady Grove Fire Department	2,000	2,000	
Tolu Community Fire Department	2,000	2,000	
Mattoon Fire Department	2,000	2,000	
Rescue Squad:			
County Rescue Squad	5,000	5,000	
Emergency Dispatch Service:			
Crime Prevention Hot Line	400	400	
Drug Enforcement:			
Narcotics Task Force	1,000	1,000	

CRITTENDEN COUNTY
 COMPARATIVE SCHEDULE OF FINAL BUDGET AND
 BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1998

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND (Continued)</u>			
<u>General Health and Sanitation</u>			
Health Department:			
Contribution	\$ 18,907	\$ 20,000	\$ (1,093)
Soil and Water Conservation:			
RC and D Contribution	200	200	
West KY Corporation Contribution	500	294	206
Chamber of Commerce	1,000	1,000	
Soil Conservation	10,000	10,000	
Social Services:			
Pauper Burials	500		500
Senior Citizens Contribution	1,000	1,000	
<u>Recreation and Culture</u>			
Parks:			
Parks Contribution	11,900	11,900	
Airport Contribution	1,000	1,000	
County Museum:			
Clement Museum	1,200	1,200	
Historical Museum	1,200	1,200	
Other Recreation Programs:			
Arts Foundation	1,000	1,000	
<u>Roads</u>			
Road Maintenance:			
Materials and Supplies	82,721		82,721
<u>Administration</u>			
<u>General Services</u>			
Contingent Appropriations:			
Reserve for Budget Transfers	2,636		2,636
Total Local Government Economic Assistance Fund	\$ 162,664	\$ 77,694	\$ 84,970
Total Budget - All Funds	\$ 2,315,641	\$ 2,025,413	\$ 290,228

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS



Edward B. Hatchett, Jr. Auditor of Public Accounts

Honorable Victor P. Hardin, County Judge/Executive
Honorable John C. May, Former County Judge/Executive
Members of the Crittenden County Fiscal Court

Report On Compliance And On Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

We have audited the financial statements of Crittenden County, Kentucky, as of and for the year ended June 30, 1998, and have issued our report thereon dated April 2, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Crittenden County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Crittenden County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Honorable Victor P. Hardin, County Judge/Executive
Honorable John C. May, Former County Judge/Executive
Members of the Crittenden County Fiscal Court
Report On Compliance And On Internal Control Over Financial Reporting Based On An
Audit Of Financial Statements Performed In Accordance With Government Auditing Standards
(Continued)

This report is intended for the information of management. However, this report, upon release by the Auditor of Public Accounts, is a matter of public record and its distribution is not limited.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a long horizontal flourish extending to the right.

Edward B. Hatchett, Jr.
Auditor of Public Accounts

Audit fieldwork completed -
April 2, 1999

**CERTIFICATION OF COMPLIANCE – LOCAL
GOVERNMENT ECONOMIC ASSISTANCE PROGRAM**

CRITTENDEN COUNTY FISCAL COURT

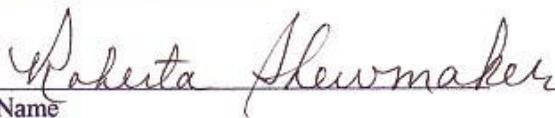
Fiscal Year Ended June 30, 1998

CERTIFICATION OF COMPLIANCE
LOCAL GOVERNMENT ECONOMIC ASSISTANCE PROGRAM
CRITTENDEN COUNTY FISCAL COURT

The Crittenden County Fiscal Court hereby certifies that assistance received from Local Government Economic Assistance Program was expended for the purpose intended as dictated by the applicable Kentucky Revised Statutes.



Name
County Judge/Executive



Name
County Treasurer